

SUPPLEMENTAL

COUNCIL AGENDA: 06-27-06

ITEM: 2.39



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
James R. Helmer

SUBJECT: SECOND AND SAN CARLOS STREET
GARAGE SEISMIC UPGRADE PROJECT

DATE: 06-20-06

Approved

Date

6/22/06

COUNCIL DISTRICT: 3

REASON FOR SUPPLEMENTAL MEMO

To provide additional information after bids were opened.

RECOMMENDATION

Report on bids and award of contract for the Second and San Carlos Street Garage Seismic Upgrade Project to the low bidder, William P. Young Construction Company, in the amount of \$1,146,199, and approval of a contingency in the amount of \$171,930.

CEQA: Exempt, PP06-046.

OUTCOME

Approval of this construction contract to William P. Young Construction Company will enable the Second and San Carlos Garage Seismic Upgrade Project to go forward. Approval of the 15 percent contingency will provide funding for any unanticipated work necessary for the completion of the project.

BACKGROUND

The Second and San Carlos Street Parking Garage, located on San Carlos Street between 2nd Street and 3rd Street, is a parking facility with retail space at the ground level on the south side of the building (map attached). The existing 204,700 square foot structure, constructed in the early 1980s per the California Building Code (CBC) in effect at the time, is a five level concrete structure supported on concrete piles and a slab on grade. A seismic risk assessment, performed by a structural consultant in April 2002, concluded that the structure was in need of a seismic

upgrade to bring it up to the current standards of the 2001 California Building Code. Construction is scheduled to begin in August 2006 with completion in March 2007.

ANALYSIS

Bids were opened on June 8, 2006, with the following results:

<u>Contractor</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Engineer's Estimate	\$1,544,415	-	-
Ashron Construction (Mountain View)	1,448,329	(96,086)	(6)
William P. Young Construction Company (San Leandro)	1,146,199	(398,216)	(26)

The low bid submitted by William P. Young Construction Company is 26 percent under the Engineer's Estimate. The lower-than-estimated bid can be attributed to a fact that the low bid contractor is familiar with this type of work as they have been the contractor on a prior City garage upgrade. An evaluation of the bid determined that the bid is considered acceptable for the work involved in the project.

Council policy provides for a standard contingency of ten percent on public works project involving retrofit construction of the building. However, on this project, a contingency of 15 percent is requested due to unknown conditions related to the driving of micropiles, the possibility of additional unanticipated cracks in the beams and constraints of working in the garage that will stay in operation during construction. The funds budgeted for this project are sufficient to provide for the recommended contingency.

ALTERNATIVES

Not applicable.

PUBLIC OUTREACH

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memorandum have been coordinated with the Departments of Planning, Building and Code Enforcement; City Attorney's Office and City Manager's Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$1,146,199
2. COST OF PROJECT:

Project Delivery	\$401,144
Construction	1,146,199
Contingency	<u>171,930</u>
TOTAL PROJECT COSTS	\$1,719,273
Prior Year Expenditures	0
REMAINING PROJECT COST	\$1,719,273
3. SOURCE OF FUNDING: 533 – General Purpose Parking Fund
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The proposed operating and maintenance costs of this project have been reviewed and it has been determined that the project will have no significant adverse impact on the General Fund operating budget.

BUDGET REFERENCE

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. For Contract	2005-2006 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
Remaining Project Costs							
Current Funding Available							
533	5066	Second and San Carlos Street Garage Seismic Upgrade	139015	\$1,810,000	\$1,318,129	V-980	N/A
Total Current Funding Available				\$1,810,000	\$1,318,129		

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Additional Funding							
533	5066	Second and San Carlos Street Garage Seismic Upgrade	139015	\$290,000*			
Total Funding for Remaining Project Costs				\$2,100,000	\$1,318,129		

* Department of Transportation has allocated an additional \$290,000 in the budget for fiscal year 2006/2007, but the funding will be available when Council approves the Proposed Capital Improvement Program on June 27, 2006.

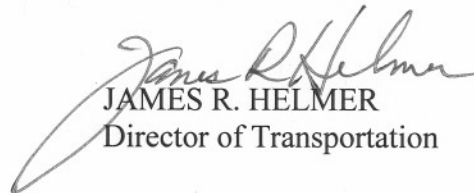
CEQA

CEQA: Exempt, File No. PP06-046.



KATY ALLEN

Director, Public Works Department


JAMES R. HELMER
Director of Transportation

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, at (408) 535-8300.

KJ:rv:rm

Attachment

Second / San Carlos Garage Seismic Upgrade supplemental

